# 97-84054-25 Rea, Russell

Social reform versus socialism

London

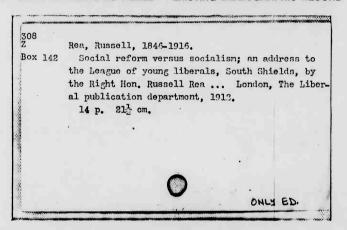
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## SOCIAL REFORM

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### SOCIALISM

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THE LEAGUE OF YOUNG LIBERALS,
SOUTH SHIELDS.

BY THE

RIGHT HON.

RUSSELL REA, M.P.

PUBLISHED BY

THE LIBERAL PUBLICATION DEPARTMENT

(In connection with the National Liberal Federation and the Liberal Central Association),

42, PARLIAMENT STREET, LONDON, S.W.

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#### SOCIAL REFORM

VERSUS

#### SOCIALISM.

RECOGNISE in you Young Liberals a body of enthusiastic politicians, and you have brought your enthusiasm and attached yourselves to the Liberal party. Why did you do it? Is the Liberal party worth your enthusiasm? What does it stand for? Has it any real living and guiding principle? Has it a mission? Has it a future? These are the questions I want to discuss with you to-night.

There are people in plenty who answer all these questions with an emphatic negative—both Tories on the one hand, and Socialists on the other. Differing on every other point they agree in this opinion that the Liberal party is "played out," that it will die, and cease to be, and that they will divide the inheritance between them. They unite in saying, and probably in believing, that the Liberal party is a thing of patches and compromises, a middle term, a mere buffer between two really living forces, that of property, privilege, and tradition on the one hand, and that which is the sworn foe of all these things, the force of Socialism on the other. These two forces are clearly alive, and, they say, the battles of the future will be between them.

Is Liberalism also a living thing, or is it true that it is only the spirit of expediency, opportunism, and compromise incarnated into what has the false appearance of a living organism? This is the question which is before us to-night and it is vital. It is nothing less than the vindication of our existence, our right to live on at all; and unless we can answer it absolutely, completely, triumphantly, it would be better for the League of Young Liberals to dissolve and disappear, for the Liberal party would have no place in the future for it to fill.

I answer this question for myself without any misgiving whatever. I say that we, the Liberal party in England to-day, hold the key to the true path of progress for an advancing nation, not a limited, but a continuous and infinite, as well as a consistent and logical progress; on the other hand, that progress under Tory guidance can be nothing but an illogical series of surrenders; and that progress under Socialist guidance is progress not to a high type of national life, but to a degeneration ending in national paralysis.

I believe that the principle and spirit, the prospects and destiny of the Liberal party may well command the service, and kindle the enthusiasm of the youngest and most ardent among us.

Consider at what point we have arrived. We have just carried a vast scheme of social reform, we have made nothing less than a new England for the poor and for the working classes. What we have done for the aged is visible, it is now a matter of experience. What we have done for the sick and disabled and the unemployed, the next few years will prove. But this is quite certain, that all the poor and the working classes have acquired a new and a vast stake in the country. Instead of being used when useful and cast aside when no longer useful, they have become the children of the State. We have accomplished, not a revolution, not even a reconstruction, but a new social construction beyond the dreams of the most enterprising, the most sanguine, even the most visionary ten short years ago.

I want you to note that this has been the work of the

Liberal party. It will stand ever to their credit or their discredit. It has been conceived in Liberal brains, and born in a Liberal House of Commons. It has not been forced upon them. It has not been adopted from outside. No outsider can claim the credit or discredit of it. It has been evolved by a united Liberal Cabinet under the inspiration of a Minister of genius, Mr. Lloyd George, and the whole party in Parliament have accepted it, and laboured days and nights, weeks and months, to make it the law of the land, and now it is the law of the land. I ask you to consider on what principles we, the Liberal party, have done all this. Where will they lead us? How far do we propose to go in the same direction? Do we ever mean to stop, and if so, at what point?

These questions are put to us on all hands, not only by the enemy who have opposed our legislation all along, but, in a spirit of remonstrance by timid friends, and in a spirit of mockery by Socialistic allies. The former, the right wing of the progressive party, say we have gone too fast and too far, they say we are sliding down the slipperv slope to Socialism, and some who have been our friends are drawing back in panic. The latter, the extreme left of the progressive party, are the avowed Socialists. They disown our party and repudiate its name. They tell us plainly they have rather made use of us to advance their ends than assisted us to any clearly discerned ends of our own. Both agree that the logical conclusion of the course we are pursuing is the complete Socialistic State in which all land, capital. and the instruments of production, distribution, and exchange shall belong to the State-a conclusion which one party looks upon with dread, and the other with desire.

It is at this point I want you Young Liberals to do a little thinking. Let us ask ourselves whether we are simply preparing the way for the complete Socialistic State, and whether that is what we want; or whether, as I hold, we are doing something quite different and something much better. I have no hesitation in meeting this question fairly and squarely. I say that we Liberals are constructing, not a Socialistic State, but a Social State; that Social Reform as I understand it is not Socialism as I understand it, and as my socialistic friends define it; that in carrying measures of Social Reform we are limited by a great principle which, however far we go, will always prevent us becoming a purely socialistic community; and I say further that Social Reform will give greater advantages than Socialism to the individual without its disadvantages. This is a big claim. Can it be made good?

Let us first see in what particulars what we are doing is the same as what the Socialists would do, and next what is the difference between us, and what is the great guiding principle of Liberalism which distinguishes it from Socialism which will prevent us ever falling into the mechanical, stereotyped socialistic order which would be the end of enterprise and progress, and is political, and probably would be intellectual, death.

And first what is there in common between our reforms and those of the Socialists? They are alike in this: Social Reform and Socialism proceed alike by doing things through the State, or the community, which had before been left to the individual to do or not to do as he pleased. But I deny that to substitute common action for individual action in any matter whatever in which common action is better is the principle of Socialism. It is the principle of common sense. It is the principle of civilisation. I repeat that Socialism and Social Reform alike consist in substituting the action of the community for the action of the individual, in doing things for the people as a whole which they had been left before to do for themselves. But I want you tosee that this is not peculiar to us or to the Socialists. It is the principle of all Governments and all States in all history. It is the principle of civilisation. You must look for the principle of Socialism where I part company with Socialism farther on than that.

If it is Socialism for the community of the State to provide pensions for its aged members, surely it is at least equally Socialism for the community of the parish to keep alive any and all of its members, regardless of their age, health, merit, or utility, yet this Socialistic obligation has lain upon the community of the parish for three hundred years. What are our Army and Navy but the visible embodiment of the united might of an organised society to protect the lives and property of its individual members against the foreign foe? What are our whole civil government and police but the expression of the superior rights of the community over those of the individual in the whole range of activities taken from the individual and assumed by the community. What are taxes and rates but the assertion and enforcement of the first claim of Society to the property of its individual members, so far as the common services require it?

If the substitution of common action for common purposes, for individual action for individual purposes is Socialism, then we are far-gone Socialists to-day, even the most fossilised Tory among us.

The only real consistent individualist was the solitary savage who steals his wife, hunts for his food, kills his enemy, and probably eats him. That was real individualism, and was the condition of humanity before civilisation began. From that stage to the present, every improvement has been made by men doing one thing after another in common, and doing them better. The boldest step of this kind was taken long ago when the State forbade a man to kill his own enemy. "Vengeance is mine. I will repay," said the law. It then took the larger half of a man's life out of his own individual keeping, and committed it to the community. I call that considerable Social Reform, but the Socialist is quite justified in claiming it too. So far we go together.

Then if Social Reform and Socialism both agree—in fact both mostly consist of substituting common action for

individual action-in what, you may ask, does the difference consist? Is it just a question of degree? Is it just that Socialism goes farther than Social Reform is at present inclined or bold enough to go? I say if that were the only difference then there would be no difference at all, except that the Social Reformer would be a blind fool who did not see where he is going, while the Socialist would be a clearsighted person aiming straight for his goal. The destination of both would in the end be the same. But I maintain the difference between the Social Reformer and the Socialist, between the Social State and the Socialistic State is not one of degree, not one of a little more or a little less, but it is a difference in kind. The Social Reformer is governed by a different principle and a higher principle. It will carry him as far, and even farther on a progressive path than the Socialist will be able to go, and it will carry him to a higher goal.

If then the difference is not one of degree but of kind, a difference in principle, what is this great principle? It is just the great principle of Liberty. The Socialist must necessarily sacrifice Liberty for Equality. The Social Reformer, while ever tending towards a real equality will guard as the most precious of possessions his personal liberty. In all the past at every stage of progress when the community has taken over any department of life from the individual it has involved some surrender by the individual of a portion of his liberty, it necessarily must have done so. The question the Socialist would ask is, Has this surrender of liberty tended to equality? If so, it is good. The questions the Social Reformer would ask are not one, but two. Has it tended to equality? Then it is so far good. And, more important still, has this surrender of liberty secured a larger liberty for the individual? Has it given him a better and a freer life? This is the test. We say our reforms will stand this test. The Socialist's reforms will not stand it. When a man surrendered his liberty to kill his own enemy he gave up freedom to do

something which was probably very agreeable, but he gained a security and a far greater freedom than any he surrendered for his own life, he was delivered from a tyranny of constant fears, alarms, and precautions. To come down from the remote past to the present, when a man surrenders fourpence of his wages, he loses fourpennyworth of spending power weekly, so much liberty, but he gains not only ninepennyworth of benefit, but also a greater freedom, from care, and in the whole ordering of his life; he has a new point of support, a new resource. Things have become possible under the protection of National Insurance that would not have been possible, or, at any rate, prudent before. He is a freer man. In every measure of Social Reform which has hitherto been passed in England by the Liberal Party, the surrender of liberty involved has also involved not only some approach to greater equality, but the realisation of a higher and more extended liberty in ordering a man's own life.

This is the great principle of Social Reform-the principle of Liberty. At each step it improves the man's condition of life, but in such a manner as to preserve and enlarge his freedom. And here at last we come to issue with the Socialist. He says, "You are sacrificing too much to liberty. You are sacrificing 'Equality' altogether, and leaving the landlord, the capitalist, and the exploiter, and speculator their precious 'Liberty' to prey upon the people." Now that is just what we are not doing. If that were true, Social Reform would be an exhausted and dead force. We are doing the opposite. We are freeing the farmer from oppression by the landlord, and the smallholder and labourer from oppression by the farmer; we are giving the town worker a basis of State support in old age, in sickness, and in unemployment, which will add tremendously to his power and freedom to face the worldeither the capitalist on the one hand, or the hard Poor Law, or the demoralising charities on the other. In all these things, our reforms tend also to equality, but they

not only maintain, they enlarge liberty. Social Reform is enabling a poor man to stand upright on his own feet, a freeman. Socialism would force him to lie down in a Procrustean bed, and feed him with a spoon.

But the Socialist may still, and probably will, say, "These are mere palliatives, they are not cures. How far can you go in your direction? Not very far, so long as you stick to that miserable fetich you call Liberty, and I call insubordination." Now here we come to the root of the matter. I say there is no final limit to the application of Social Reform; there is only one limit, and that is not fixed, but infinitely elastic. It cannot advance at any particular time and place beyond the moral development of the people. It can only proceed on one principle, viz., that as the higher activities of a people develop so their lower needs may be Socialised. If the State relieves a man of stimulus to individual exertion, to enterprise, to the bracing struggle of competition with his fellows, it has gone too far in that line at that time. But if, by relieving a man of his lower cares, it has set free his higher faculties which were panting for higher uses, the increase of State action has been both materially and morally good and intellectually beneficial. I will illustrate what I mean. If a Poor Law were established in a community of barbarous and lazy Red Indians they would all go on to the rates, chiefs included, and there would be no ratepavers. They need the stimulus of hunger and starvation to make them exert themselves. They are not morally advanced to the level of a Poor Law. Again, if, as some people prophesied, universal Old Age Pensions had destroyed thrift, it would have proved that we were not yet sufficiently morally advanced to be prepared for Old Age Pensions. I believe, on the contrary, Old Age Pensions have encouraged thrift, for now a man with ordinary wages for the first time can see the possibility with the aid of the Pension of providing for a comfortable, dignified, and independent old age. He may buy a cottage in which to spend his pensioned old

age with his children. I believe we were morally fit for Old Age Pensions, and that they have stimulated thrift. In the same way we are morally ready for the new Act. If unemployment benefit would induce men to regard unemployment with indifference, if it would lead them to think unemployment rather a nice trade for a time, then they would be morally unready for unemployment benefit. If sick benefit were to promote wholesale malingering, then the people would not be morally fit for sick benefit legislation. I have heard such benefit called "paying a man to be sick." I regard that as a clever, epigrammatic, malicious calumny. I believe sick benefit will reduce sickness and unemployment benefit will reduce unemployment, and that taken together they add to a man's sense of personal security, and to his freedom to order his own life as he will.

If you have properly appreciated the difference in principle between Social Reform and mechanical Socialism you will see that there is no finality in Social Reform, given the moral development of the people—that is, given a universal, perpetual, never-satisfied desire for something better than anything that is ever realised, always striving for a better standard of life—more comforts, more leisure, more interests; given this moral atmosphere, then it may be safe to go farther and farther on the same path of Social Reform. I can imagine a time when such things as heating, lighting, the feeding of children, and minimum housing may be as free as elementary education is now.

How demoralising! How pauperising! These are the exclamations which will rise to the lips of perhaps even some here. But that has been the Conservative cry all through history. The Progressive Party has always had to meet this very opposition. It has always been "demoralising" the people in this way. But the objectors forget the condition and the limits I lay down. It is that for each step, before it is taken, the people shall be morally fit, that is, that they shall not be demoralised, but that they shall be prepared and eager to employ the energy set

free from providing the primary necessities being dealt with, more actively than ever in a competitive struggle for higher and better things. I see no limit to the progress on these lines. But ever we shall preserve the spirit of Liberty. Without Liberty there can be no enterprise, no inventions, no progress, no possessions, no career, no success. And in our Social Reform State, equality of condition, though never enforced, will always be aimed at, always be more and more nearly approached, and never quite reached. If you compare the condition, as we may imagine it, of an ordinary free working citizen in an advanced State of the future. whose motto has always been Social Reform, with that of a working item in a mechanical Socialistic State, in which all land, capital, and instruments of production have for a long period belonged to the State, which do you suppose would be the higher? The latter, the Socialist item, truly would have no capitalist employer, but would he have no master? He would live under an iron rule of foremen and officials. Whatever his grievances, whatever the tyranny under which he might suffer, there would be no right to strike, no question of "refusing labour," no "down tools." Nothing before him but to wear out his life in the appointed groove, perhaps a pampered slave, but still as much a slave as if on his back he bore the signs of the broad arrow.

How will this compare with the condition of the free working citizen of the Social State—not the Socialistic, State, but the Social Reform State? The stimulus of freedom of enterprise, and properly restrained competition, will certainly have produced a more wealthy community than that of the Socialistic State. We cannot suppose in a settled Socialistic community improvement will be rapid, even if it were to take place at all. Routine would rule, invention would not be stimulated, new methods would not be adopted, old machinery and old methods would not be scrapped. It is difficult to believe, for example, that the motor car could have been evolved and come into use in a Socialistic State, denounced as it was on its introduc-

tion as an instrument of selfish and ostentatious luxury on the part of persons inordinately rich. It was not foreseen that these offensive persons were unconsciously engaged in the evolution of the useful taxi-cab and the democratic motor-'bus, in short were the pioneers in a beneficent revolution, and the real founders of a new industry, which was destined to add to national efficiency and wealth. Undoubtedly our Social State would be enormously richer than the Socialistic State. Doubtless, the working citizen would enjoy a much higher scale of material living, and probably better conditions and hours of work than the citizen of the Socialistic State. He might have an employer, or he might be employed in the constantly expanding work of the State. At any rate, he would be a free man. With so many of his lower primary needs supplied, or provided for by the State, he would almost certainly be to some extent a capitalist himself. He might choose, for example, either to put his savings into his own house and land, or, say, to provide largely improved benefits for himself and his family from various State agencies, such as that of National Insurance. If so high a degree of theoretical equality were not reached as in the Socialistic State, he would have a far greater sense of personal dignity and liberty, and of the opportunities and value of life.

So far we have considered the condition of the average worker and citizen in the Social Reform State as it will be, and is rapidly evolving before our eyes. Before concluding I must add a few words as to the conditions under which the capitalist and employer will carry on his undertakings. Here the same principle will apply, the principle of Liberty. But here again, from time to time it will be found necessary, as it has already been found necessary, to contract liberty in one direction in order to preserve a larger liberty in other directions. The Social State would not absorb all land, capital, and instruments of production, but its functions would grow, and it would be continually taking into its own hands more and more of the ordinary and common services

of the community. I would make no rigid and pedantic definition of the proper respective spheres of State enterprise and private enterprise. There would be no rigid limit, but an elastic, progressive, and extending limit. But the great principle would equally apply. The State would not interfere with the liberty of any class to carry on their business as they might please, except to preserve the security and liberty of the other enterprises of the country. And thus, although the range of State enterprise might and undoubtedly will grow, that very growth will make secure an ever-extending range for private capital and personal enterprise.

This is really what we are doing now, but rather tentatively, rather blindly. Even now a monopoly, especially a monopoly of a public utility, we all agree is a proper subject for State control. The elastic Social Reform State would consider any trust or combination which became oppressive and obstructive a proper subject for State regulation, and perhaps State absorption. And this in the interests of liberty and progress. For example, it would not stand aside and permit engineers and shipbuilders to be the helpless victims of a national or international steel trust. It is possible that in some future times the production and distribution of the great semi-manufactured staple articles which are the raw material of higher, more specialised, more artistic products, those semi-raw materials which are the special field for the operations of the trust, the speculator, the corner, may be regulated, controlled, and perhaps absorbed by public authority. And this, I say again, in the interests of liberty, to give more freedom, and opportunity, and security, to individual skill and enterprise engaged on higher and more specialised and artistic products. And let us remember it is the latter, the higher, the newer, the finished, the more specialised and individual trades, those which would probably never come into being in the stationary Socialistic State, which are employing a continually increasing proportion of our population, as the new Census will show you. The principle which will guide our Social Reform State in dealing with industry and commerce will be as always, the principle of Liberty, but as in the Social order the preservation of a higher liberty demands at times the surrender of some lower liberty or property to the State, so in the industrial order, the State may have to assume the control, or even to absorb one of our more primary forms of industry after another to give opportunity and freedom to the rest of the community to whom it had become a tyranny and an obstruction.

I have endeavoured to lay before you Young Liberals to-night what I conceive to be the principle of the Social Reform which we advocate, in which we are engaged, and to which we are committed. Social Reform is not a new phrase coined to conceal our surrender to the Socialists or the Socialistic ideal. And those of our friends who are taking fright at what they imagine to be our slide into the abyss may, I think, take courage. Our ideal is a different ideal. I think a far higher ideal. The difference is that between life and growth, and stagnation and death. In my view Social Reform, the Social State of the future, pursuing equality, but above all things preserving Liberty, offers to all classes, and especially to the working classes, a fairer prospect of a higher, more civilised, more interesting, and above all a freer life, than does any mechanical, stationary, stereotyped Socialistic State.

# END OF TITLE